SENATE JOURNAL 61ST LEGISLATURE TWENTIETH LEGISLATIVE DAY

Helena, Montana Senate Chambers January 28, 2009 State Capitol

Senate convened at 1:00 p.m. President Story presiding. Invocation by Pastor Keith Johnson. Pledge of Allegiance to the Flag.

Roll Call. All members present, except Senator Gillan and Senator Schmidt, excused. Quorum present.

Senators Gillan and Schmidt present.

BILLS AND JOURNALS: 1/28/2009

Correctly printed: SB 65, SB 79, SB 80, SB 81, SB 82, SB 119, SB 135, SB 173, SB 176, SB 226, SB 294, SB 295, SB 296, SB 297, SB 298, SB 299, SB 300, SJR 5, SJR 7.

Correctly engrossed: SB 57, SB 58, SB 123, SB 148, SB 170, SB 187, SB 219, SB 240.

Delivered to the Secretary of State at 10:41 a.m., January 28, 2009: SJR 1.

REPORTS OF STANDING COMMITTEES

FISH AND GAME (Barkus, Chairman):

SB 164, introduced bill, be amended as follows:

1/28/2009

1. Title, page 1, line 9.

Following: "MAINTENANCE;"

Insert: "ESTABLISHING A MAINTENANCE ACCOUNT;"

2. Title, page 1.

Strike: "REQUIRING" on line 10 through "WATER;" on line 12

3. Page 2.

Following: line 21

Insert: "(b) fence installation and repair of existing fences;"

Renumber: subsequent subsections

4. Page 2, line 24.

Strike: subsection (d) in its entirety Renumber: subsequent subsections

5. Page 4, line 4.

Following: "must" on line 4
Strike: ", for" through "budget,"

6. Page 4, line 5 through line 6.

Following: "maintenance of" on line 5

Strike: "the"

Following: "water" on line 5

Strike: "rights" on line 5 through "purchase." on line 6

Insert: "acquired by the department. The additional amount above the purchase price must be deposited in the account established in [section 4]."

7. Page 5, lines 14 through 16. **Strike:** subsection (e) in its entirety

8. Page 6.

Following: line 4

Insert: "NEW SECTION. Section 94. Maintenance account. There is a maintenance account in the state special revenue fund. Pursuant to 87-1-209(1), the additional amount above the purchase price set aside for maintenance of land or water acquired by the department must be deposited in the account. Funds deposited in the account may be used only for maintenance of any land or water acquired by the department. Any interest earned must be retained in the account."

Insert: "NEW SECTION. Section 5. Codification instruction. [Section 4] is intended to be codified as an integral part of Title 87, chapter 1, part 2, and the provisions of Title 87, chapter 1, part 2, apply to [section 4]."

Renumber: subsequent sections

And, as amended, do pass. Report adopted.

SJR 15, introduced joint resolution, be amended as follows:

1. Title, page 1, line 5. **Strike:** "URGING"

Insert: "EXPRESSING SUPPORT FOR THE DECISION BY"

Following: "WOLF"

Insert: ", URGING PRESIDENT BARACK OBAMA AND HIS ADMINISTRATION TO SUPPORT THAT DECISION AND ALLOW IT TO TAKE EFFECT."

2. Title, page 1, line 6 through 7.

Strike: "DELISTING" on line 6 through "PROPOSALS" on line 7 Insert: "THE DECISION TO DELIST THE GRAY WOLF"

Following: "AGAINST" on line 7

Insert: "ANY"

Strike: "CHALLENGES" on line 7

Insert: "CHALLENGE"

3. Page 1, line 17. Strike: "is already" Insert: "has been"

4. Page 2, line 1 through line 2.

Strike: "and appears" on line 1 through "poised" on line 2

Insert: "has determined that, although Wyoming's plan is not sufficient to conserve Wyoming's portion of the recovered Northern Rockies wolf population, the plans of Montana and Idaho are sufficient, and therefore had decided on January 14, 2009,"

Strike: "early 2009" on line 2

Insert: "Montana and Idaho, a decision that was to take effect in late February 2009"

Following: line 2

Insert: "WHEREAS, President Barack Obama has put a hold on certain policy decisions made by the administration of former President George W. Bush, including the decision to delist the gray wolf, so that they may be reviewed; and

WHEREAS, it's unclear whether President Barack Obama will allow the decision of the United States Fish and Wildlife Service to delist the gray wolf to take effect; and"

5. Page 2, line 3. Strike: "any"

Insert: "even if the"

Following: "is"

Insert: "allowed to take effect by President Barack Obama, it is"

6. Page 2, line 12. **Following:** "urges"

Insert: "President Barack Obama and his administration to fully implement the decision of"

7. Page 2, line 16.

Strike: "United States Fish and Wildlife Service does not"

Insert: "decision to"

Strike: "in early 2009 as expected"

Insert: "is prevented from taking effect"

8. Page 2, line 17.

Strike: "a"
Insert: "the"

9. Page 2, line 20.Strike: "any future"

Insert: "the"

10. Page 2, line 22. **Following:** "to the"

Insert: "President of the United States, the"

And, as amended, do pass. Report adopted.

JUDICIARY (Perry, Chairman):

SB 92, do pass. Report adopted.

SB 189, introduced bill, be amended as follows:

1. Page 1, line 18.

Following: "exceed"
Insert: "two times"

2. Page 1, line 19.

Following: "current biennium"

Strike: "and" through "biennium"

3. Page 1, line 22.

Strike: "on a pro rata basis"

4. Page 2, line 3.

Following: "exceed"

1/28/2009

Insert: "two times"

5. Page 2, line 4.

Strike: "and the projected budget for the succeeding biennium"

6. Page 2, line 7.

Strike: "on a pro rata basis"

And, as amended, do pass. Report adopted.

SB 256, do pass. Report adopted.

MESSAGES FROM THE OTHER HOUSE

House bills passed and transmitted to the Senate for concurrence:

1/28/2009

HB 90, introduced by Hawk

HB 137, introduced by McNutt

HB 222, introduced by Cohenour

HB 231, introduced by Glaser

House joint resolution passed and transmitted to the Senate for concurrence:

1/28/2009

HJR 9, introduced by Furey

MOTIONS

Senator Gebhardt moved SB 129 be moved from the Natural Resources committee to the Taxation committee. Motion carried.

Senator Jent moved to reconsider Senate action on SB 191 on January 27, 2009. Senator Jent withdrew his motion.

Senator Jent moved to reconsider the adoption of the Committee of the Whole Report from January 27, 2009. Motion failed as follows:

Yeas: Branae, Cooney, Erickson, Gillan, Hamlett, Hawks, Jent, Juneau, Kaufmann, Larsen, Laslovich, McGee, Moss, Murphy, Perry, Schmidt, Squires, Stewart-Peregoy, J. Tropila, M. Tropila, Wanzenried, Williams.

Total 22

Nays: Bales, Balyeat, Barkus, Barrett, Black, Brenden, R. Brown, T. Brown, Brueggeman, Curtiss, Esp, Essmann, Gallus, Gebhardt, Hansen, Hinkle, Jackson, Keane, Laible, Lewis, Peterson, Ripley, Shockley, Steinbeisser, Tutvedt, Windy Boy, Zinke, Mr. President.

Total 28

Absent or not voting: None.

Total 0

Excused: None.

Total 0

FIRST READING AND COMMITMENT OF BILLS

The following Senate bills were introduced, read first time, and referred to committees:

SB 301, introduced by Cooney, Ankney, Augare, Brueggeman, Cooney, Driscoll, Ebinger, Hamilton, Hollenbaugh, Hunter, Laslovich, O'Hara, Phillips, Roberts, Sands, Sesso, referred to Taxation.

SB 302, introduced by Wanzenried, Ankney, Branae, Cohenour, Cooney, Dickenson, Erickson, Glaser, Hamilton, Hollenbaugh, Kaufmann, Villa, Wanzenried, referred to Education and Cultural Resources.

SB 303, introduced by Wanzenried, referred to Natural Resources.

SB 304, introduced by R. Brown, Ankney, Bales, Barkus, Black, R. Brown, Brueggeman, Curtiss, Gebhardt, Hamlett, Jackson, Laible, Laslovich, McGee, J. Peterson, Ripley, Steinbeisser, Stewart-Peregoy, Windy Boy, Zinke, Ankney, Bennett, Glaser, Hendrick, McGillvray, Regier, Smith, Stahl, Warburton, referred to Taxation.

SB 305, introduced by Tutvedt, Ankney, Jackson, Laible, Lake, Stahl, Stoker, Tutvedt, referred to Local Government.

SECOND READING OF BILLS (COMMITTEE OF THE WHOLE)

Senator Peterson moved the Senate resolve itself into a Committee of the Whole for consideration of business on second reading. Motion carried. Senator Ripley in the chair.

Mr. President: We, your Committee of the Whole, having had under consideration business on second reading, recommend as follows:

SB 9 - Senator Erickson moved SB 9 do pass. Motion carried as follows:

Yeas: Barrett, Branae, T. Brown, Brueggeman, Cooney, Erickson, Esp, Essmann, Gallus, Gebhardt, Gillan, Hamlett, Hansen, Hawks, Jent, Juneau, Kaufmann, Keane, Laible, Larsen, Laslovich, Lewis, McGee, Moss, Murphy, Perry, Peterson, Schmidt, Squires, Stewart-Peregoy, J. Tropila, M. Tropila, Tutvedt, Wanzenried, Williams, Windy Boy, Zinke, Mr. President.

Total 38

Nays: Bales, Balyeat, Barkus, Black, Brenden, R. Brown, Curtiss, Hinkle, Jackson, Ripley, Shockley, Steinbeisser. Total 12

Absent or not voting: None.

Total 0

Excused: None.

Total 0

SB 76 - Senator Black moved SB 76 do pass. Motion carried as follows:

Yeas: Bales, Balyeat, Barkus, Barrett, Black, Branae, Brenden, R. Brown, T. Brown, Brueggeman, Cooney, Curtiss, Erickson, Esp, Essmann, Gallus, Gebhardt, Gillan, Hamlett, Hansen, Hawks, Hinkle, Jackson, Jent, Juneau, Kaufmann, Keane, Laible, Larsen, Laslovich, Lewis, McGee, Moss, Murphy, Perry, Peterson, Ripley, Schmidt, Shockley, Squires, Steinbeisser, Stewart-Peregoy, J. Tropila, M. Tropila, Tutvedt, Wanzenried, Williams, Windy Boy, Zinke, Mr. President.

Total 50

Nays: None.

Total 0

Absent or not voting: None.

Total 0

Excused: None.

Total 0

SB 121 - Senator Jent moved SB 121 do pass. Motion carried as follows:

Yeas: Bales, Balyeat, Barkus, Barrett, Black, Branae, Brenden, R. Brown, T. Brown, Brueggeman, Cooney, Curtiss, Erickson, Esp, Essmann, Gallus, Gebhardt, Gillan, Hamlett, Hansen, Hawks, Hinkle, Jackson, Jent, Juneau, Kaufmann, Keane, Laible, Larsen, Laslovich, Lewis, McGee, Moss, Murphy, Perry, Peterson, Ripley, Schmidt, Shockley, Squires, Steinbeisser, Stewart-Peregoy, J. Tropila, M. Tropila, Tutvedt, Wanzenried, Williams, Windy Boy, Zinke, Mr. President.

Total 50

Nays: None.

Total 0

Absent or not voting: None.

Total 0

Excused: None.

Total 0

SB 136 - Senator Gebhardt moved SB 136 do pass. Motion carried as follows:

Yeas: Bales, Balyeat, Barkus, Barrett, Black, Branae, Brenden, R. Brown, T. Brown, Brueggeman, Cooney, Curtiss, Erickson, Esp, Essmann, Gallus, Gebhardt, Gillan, Hamlett, Hansen, Hawks, Hinkle, Jackson, Jent, Juneau, Kaufmann, Keane, Laible, Larsen, Laslovich, Lewis, McGee, Moss, Murphy, Perry, Peterson, Ripley, Schmidt, Shockley, Squires, Steinbeisser, Stewart-Peregoy, J. Tropila, M. Tropila, Tutvedt, Wanzenried, Williams, Windy Boy, Zinke, Mr. President.

Total 50

Nays: None.

Total 0

Absent or not voting: None.

Total 0

Excused: None.

Total 0

SB 158 - Senator Barkus moved SB 158 do pass. Motion carried as follows:

Yeas: Bales, Barkus, Barrett, Black, Branae, Brenden, R. Brown, T. Brown, Brueggeman, Cooney, Curtiss, Erickson, Essmann, Gallus, Gebhardt, Gillan, Hamlett, Hansen, Hawks, Hinkle, Jackson, Jent, Kaufmann, Keane, Laible, Larsen, Lewis, McGee, Moss, Murphy, Perry, Peterson, Ripley, Schmidt, Shockley, Squires, Steinbeisser, Stewart-Peregoy, J. Tropila, M. Tropila, Tutvedt, Williams, Windy Boy, Zinke.

Total 44

Nays: Balyeat, Esp, Juneau, Laslovich, Wanzenried, Mr. President.

Total 6

Absent or not voting: None.

Total 0

Excused: None.

Total 0

SB 209 - Senator Laslovich moved SB 209 do pass. Motion carried as follows:

Yeas: Bales, Balyeat, Barkus, Barrett, Black, Branae, Brenden, R. Brown, T. Brown, Brueggeman, Cooney, Curtiss, Erickson, Esp, Essmann, Gallus, Gebhardt, Gillan, Hamlett, Hansen, Hawks, Hinkle, Jackson, Jent, Juneau, Kaufmann, Keane, Laible, Larsen, Laslovich, Lewis, McGee, Moss, Murphy, Perry, Peterson, Ripley, Schmidt, Shockley, Squires, Steinbeisser, Stewart-Peregoy, J. Tropila, M. Tropila, Tutvedt, Wanzenried, Williams, Windy Boy, Zinke, Mr. President.

Total 50

Nays: None.

Total 0

Absent or not voting: None.

Total 0

Excused: None.

Total 0

Senator Peterson moved the committee rise and report. Motion carried. Committee arose. Senate resumed. President Story in the chair. Chairman Ripley moved the Committee of the Whole report be adopted. Report adopted unanimously.

THIRD READING OF BILLS

The following bills having been read three several times, title and history agreed to, were disposed of in the following manner:

SB 65 passed as follows:

Yeas: Bales, Black, Branae, T. Brown, Brueggeman, Cooney, Erickson, Essmann, Gallus, Gillan, Hamlett, Hansen, Hawks, Jent, Juneau, Kaufmann, Keane, Larsen, Laslovich, Lewis, Moss, Perry, Peterson, Ripley, Schmidt, Shockley, Squires, Stewart-Peregoy, J. Tropila, M. Tropila, Tutvedt, Wanzenried, Williams, Windy Boy, Zinke, Mr. President.

Total 36

Nays: Balyeat, Barkus, Barrett, Brenden, R. Brown, Curtiss, Esp, Gebhardt, Hinkle, Jackson, Laible, McGee, Murphy, Steinbeisser.

Total 14

Absent or not voting: None.

Total 0

Excused: None. Total 0

SB 79 passed as follows:

Yeas: Bales, Balyeat, Barkus, Barrett, Black, Branae, Brenden, R. Brown, T. Brown, Brueggeman, Cooney, Curtiss, Erickson, Esp, Essmann, Gallus, Gebhardt, Gillan, Hamlett, Hansen, Hawks, Hinkle, Jackson, Jent, Juneau, Kaufmann, Keane, Laible, Larsen, Laslovich, Lewis, McGee, Moss, Murphy, Perry, Peterson, Ripley, Schmidt, Shockley, Squires, Steinbeisser, Stewart-Peregoy, J. Tropila, M. Tropila, Tutvedt, Wanzenried, Williams, Windy Boy, Zinke, Mr. President.

Total 50

Nays: None. Total 0

Absent or not voting: None.

Total 0

Excused: None.

Total 0

SB 82 passed as follows:

Yeas: Bales, Balyeat, Barkus, Barrett, Black, Branae, Brenden, R. Brown, T. Brown, Brueggeman, Cooney, Curtiss, Erickson, Esp, Essmann, Gallus, Gebhardt, Gillan, Hamlett, Hansen, Hawks, Hinkle, Jackson, Jent, Juneau, Kaufmann, Keane, Laible, Larsen, Laslovich, Lewis, McGee, Moss, Murphy, Perry, Peterson, Ripley, Schmidt, Shockley, Squires, Steinbeisser, Stewart-Peregoy, J. Tropila, M. Tropila, Tutvedt, Wanzenried, Williams, Windy Boy, Zinke, Mr. President.

Total 50

Nays: None. Total 0

Absent or not voting: None.

Total 0

Excused: None.

Total 0

SB 135 passed as follows:

Yeas: Bales, Barkus, Barrett, Black, Branae, Brenden, R. Brown, T. Brown, Brueggeman, Cooney, Erickson, Esp, Essmann, Gallus, Gebhardt, Gillan, Hamlett, Hansen, Hawks, Jackson, Jent, Juneau, Kaufmann, Keane, Laible, Larsen, Laslovich, Lewis, Moss, Murphy, Perry, Peterson, Ripley, Schmidt, Squires, Steinbeisser, Stewart-Peregoy, J. Tropila, M. Tropila, Tutvedt, Wanzenried, Williams, Windy Boy, Zinke, Mr. President. Total 45

Nays: Balyeat, Curtiss, Hinkle, McGee, Shockley.

Total 5

Absent or not voting: None.

Total 0

Excused: None.

Total 0

SB 176 passed as follows:

Yeas: Bales, Balyeat, Barkus, Barrett, Black, Branae, Brenden, R. Brown, T. Brown, Brueggeman, Cooney, Curtiss, Erickson, Esp, Essmann, Gallus, Gebhardt, Gillan, Hamlett, Hansen, Hawks, Hinkle, Jackson, Jent, Juneau, Kaufmann, Keane, Laible, Larsen, Laslovich, Lewis, McGee, Moss, Murphy, Perry, Peterson, Ripley, Schmidt, Shockley, Squires, Steinbeisser, Stewart-Peregoy, J. Tropila, M. Tropila, Tutvedt, Wanzenried, Williams, Windy Boy, Zinke, Mr. President.

Total 50

Nays: None.

Total 0

Absent or not voting: None.

Total 0

Excused: None.

Total 0

SB 226 passed as follows:

Yeas: Bales, Balyeat, Barkus, Barrett, Black, Branae, Brenden, R. Brown, T. Brown, Brueggeman, Cooney, Curtiss, Erickson, Esp, Essmann, Gallus, Gebhardt, Gillan, Hamlett, Hansen, Hawks, Hinkle, Jackson, Jent, Juneau, Kaufmann, Keane, Laible, Larsen, Laslovich, Lewis, McGee, Moss, Murphy, Perry, Peterson, Ripley, Schmidt, Shockley, Squires, Steinbeisser, Stewart-Peregoy, J. Tropila, M. Tropila, Tutvedt, Wanzenried, Williams, Windy Boy, Zinke, Mr. President.

Total 50

Nays: None.

Total 0

Absent or not voting: None.

Total 0

Excused: None.

Total 0

UNFINISHED BUSINESS

Senator R. Brown moved that the following sponsors be added to SB 304: Curtiss, Hamlett, Jackson, Ripley, Steinbeisser and Windy Boy. Without objection, so ordered.

MOTIONS

Sen. Barkus moved that his vote on SB 65 be changed from yes to no. Motion carried.

ANNOUNCEMENTS

Committee meetings were announced by the committee chairs.

Senator Peterson reminded the Senators to pick up their bills from Legislative Services Division.

MOTIONS

Senator Peterson moved that the Senate recess until 6:30 p.m. and beg leave to sit again. Motion carried. The Senate recessed at 1:58 p.m.

The Senate resumed at 6:30 p.m. President Story in the chair.

Roll Call. All members present, except Senator Peterson and Senator Gallus, excused. Quorum present.

Senator McGee moved that the Senate recess and proceed to the House of Representatives for the Governor's State of the State Address. Upon adjournment of the joint session, the Senate will be adjourned until the hour of 1:00 p.m., January 29, 2009. Motion carried.

After the Senate was introduced in the House chambers, President Story assumed the chair. Senate President Pro-Tem McGee moved that the body resolve itself into a joint session for the purpose of receiving the State of the State address from the Honorable Brian Schweitzer, Governor of the State of Montana. Motion carried.

Senator McGee moved that the President be authorized to appoint a committee of four to notify the Governor that the House and Senate are in joint session and ready to receive the State of the State address. Motion carried.

President Story appointed Senator Laible, Senator Stewart-Peregoy, Representative Reichner, and Representative McClafferty, and the committee escorted Governor Schweitzer into the chambers.

The colors were posted by members of the Montana National Guard.

The following students from Helena schools dressed in contemporary and traditional regalia, directed by Indian Education Coach Joe Anderson, led the body in the Pledge of Allegiance: Quincy Bjornberg, Mariah Gladstone, Sara MacDiarmid, Bowen Simpson, Sierra Simpson, Koltin Tanniehill, Kenzie Tanniehill, and Kasstidy Tanniehill.

Bishop George Thomas gave the invocation.

President Story introduced Governor Brian Schweitzer to the joint session, and the Governor gave the following speech:

Mr. President, Mr. Speaker, my fellow Montanans.

It is my honor to address the 61st assembly of the Montana Legislature or as Yogi Berra said, "I want to thank everybody for making this day necessary."

First and foremost, I would like to thank my best friend for, as of last week 27 years, my business partner, my wife, the mother of our children, Nancy Schweitzer.

And I'd like to introduce another woman important in my life. This woman is the daughter of Irish immigrants from the Hi-Line. They came, if you care, from Tyrone and from Donegal, my mother, Kathleen McKiernan Schweitzer.

And now, my friend, your Lieutenant Governor John and Karen Bohlinger. Thank you, John Bohlinger. Five years ago John and I came together with the simple proposition that we could accomplish more in Montana with a Republican and a Democrat working together in the executive office. Thanks for taking this journey for Montana, thank you, John Bohlinger.

And the Chief Justice of the Supreme Court and other members of the Supreme Court are here. Please stand. Please stand and be acknowledged.

And we have elected Tribal Leaders that are here today. Welcome the first Montanans to the most important place in Montana, these hallowed House chambers. Please stand, elected Tribal Members. Thank you. Thank you for being partners, thank you for being partners of Montana.

And if I may, I would ask President Story, Speaker Bergren, Minority (Leaders) Williams and Sales, to please stand, and with them all of the leaders of this body. Please stand, and let's give them a round of applause.

Since we met together last in this body, we've lost some extraordinary Montanans and first I want to mention my friend, your colleague, a man that was taken in his prime. I would like you to remember George Groesbeck.

I'd also like you to remember a former Lieutenant Governor by the name of Lieutenant Governor George Turman. George Turman, not unlike John Bohlinger, was a man who put Montana in front of his party; an extraordinary man.

And just recently, the wife of one of our greatest United States Senators, Donna Metcalf passed.

Also, during the last two years, two extraordinary men, who served to protect our highways, both gave their life while on duty in the Flathead. I'd like you to remember two highway patrolmen, Evan Schneider and David Graham.

In my pocket, I carry the names of the 35 men who have given their whole during this conflict in the Middle East. Today, we got word that one more extraordinary man, a Marine from Forsyth by the name of Trevor Johnson, has given his all. Please remember, in your heart, these men who have given all, and never forget their families. Never forget their sacrifice.

Montana is a land for the optimistic. For 400 generations and beyond, the first Montanans endured those tough winters knowing that surely spring would come, the snow would melt and the rivers would be renewed and refreshed again, the prairies would blossom, the buffalo and elk would be fat, and they, indeed, would be the bounty of the land.

And later, the miners came with just a pick and high hopes that around the next bend, or up the next gulch, or perhaps at the side of the mountain, they too would strike it rich.

And then the homesteaders, who planted the wheat in the spring with a prayer and harvested that crop with thanksgiving to God in the fall.

Members of this esteemed Legislature, we share a common history. Let us share a common sense of opportunity. We can accomplish more working together to build than we can tearing each other down.

The time is now for action, the families of Montana deserve nothing less. I urge you to move forward to escape the failures of the 60th Legislative Assembly, because as Benjamin Franklin said, "You may delay, but time will not."

In 1916, a Democratic Governor of Montana, working with a Democratic President in Washington D.C., Woodrow Wilson, decided that it would be appropriate to encourage the citizens of Montana, and then later the people of this country to help spy on one another, and we passed the Sedition Act first in Montana.

We have a little experience with these ideas, and that's why I am so proud of this Legislative Assembly in 2005, when you wrote a letter to Washington, D.C., and asked them to repeal the Patriot Act, because it is not an American value for neighbors to spy on neighbors.

I would like to identify the leaders in this body who led in that effort. Representative Campbell, please stand, Representative Villa, Representative Wiseman, please stand, Senator Kaufmann, Senator Shockley, please stand, and Senator Cooney please stand for leading in this effort. Thank you very much, you are the patriots.

Thank you.

And in 2007, when the federal government was on the verge of requiring everyone in America to carry one of their cards so they could identify when you got on plane, where you went, how you got off, if you walked into a federal building, to track all of the movement of all American citizens. It was this body in 2007 that said no thank you to the real ID.

I would like Representative Sales to please stand, Representative Villa and Wiseman, please stand, and Senator Williams and Cooney, thank you for leading in this effort. Please stand. Thank you very much.

We now know that this so-called Patriot Act was used to spy on folks who were just political adversaries. History will not judge these last six years kindly, but that same history will recognize that it was the Montana Legislature that stood up. You were the real patriots. Thank you and God bless each and every one of you.

Together, working together, we've had a remarkable 4 years. In the last 4 years Montanans have created more new jobs with the highest wages in the history of Montana. We've diversified the economy and brought new industries to Montana. We've invested more new money in education, K-12 and higher education, than any time in history, and yes, Carol Williams, we now pay for full-time, all-day kindergarten in every single school in Montana.

And you've invested in a scholarship program so that the best and brightest from every community can afford to go to college. We've cut more taxes for more Montanans than any time in history, including a \$400 check to every homeowner.

Now, most states enter these uncertain times with big deficits, but because of your fiscal management, we have created the largest budget surpluses in the history of Montana. Thank you very much.

And we've attracted companies to come to Montana from all over America, indeed all over the world; from Australia, from Ireland, from Spain, from Germany, and Canada, and beyond.

Five years ago, just five years ago, Montana was increasing the members in our correction system at nearly the fastest rate in the nation, but this body recognized that more than 50% of the people in our correction system had a mental illness that we weren't treating, or more than 90% of the people in our correction system had a drug or alcohol addiction that we weren't treating. So this body began to reform the correction system in Montana, and we are now treating those who have a mental illness, who have a drug or alcohol addiction. According to the Pew Research Foundation, Montana is decreasing our correction population at the fastest rate in America. Thank you for your leadership.

Montana is dead center in the most important energy corridor on the planet, that corridor that runs from Fort McMurray, Alberta to Port Arthur, Texas. Montana, this is our time in history. I would like to thank this Legislature,

because in 2005, you passed a renewable portfolio standard that attracted wind energy investors from around the country. And you followed that piece of legislation in 2007 with the Clean and Green Initiative that lowered the property taxes for people who wanted to build energy projects in Montana; and boy howdy, are they coming to Montana.

Now, there were those who doubted Montana's energy potential, but Montana is the land for optimists and so in the last 4 years, Montana has increased our oil production by 38%. That is greater than any other state in the Union; in fact, only five states have increased their oil production: Alaska, Texas, Louisiana, all decreasing oil production, and Montana's gas production is also up 34%. And optimists have come to Montana to open the first new coal mine, Signal Peak, near Roundup, for the first time in 20 years. Welcome to Montana, you optimists.

And the optimists have harnessed the wind in Montana, and during the last four years Montana has increased our wind energy portfolio at the fastest rate in the nation and I must add at the end, that an optimist from Australia has come to Montana and has partnered with the Crow Nation to build the nation's first large-scale coal-to-liquid plant called the "Many Stars Program." Welcome to Montana, you new optimists, and thank God the Crow Nation has found a partner from Australia.

Montana has taken the lead, because we need to create a new energy system, one designed by American engineers, built by American workers, that is cleaner, greener, lower carbon footprint and breaks our addiction to those petrodictators once and for all. And Montana has taken the lead.

A few years ago, I sat down with my father. He's 87 years old, the son of Montana homesteaders from the Ukraine, and I said to Dad, "What was the greatest change in your life when rural electrification came to the farm?" He considered the question for a bit, and then he said, "Well the greatest change, and it came in 1948, was that when rural electrification arrived at the farm we could weld at a little hotter temperature."

They'd had a wind charger on the farm since 1928 with batteries in the basement. Eighty years ago America had diversified, clean, green electricity with batteries in the basement in Kansas and Nebraska, in Iowa, in Minnesota, the Dakotas, in Montana, and today we are trying to find our way back.

I want to tell a story of two extraordinary members of this body, two members of this body who come from completely different places. One is a farmer, the other is a University professor. One is a Republican, one is a Democrat. But before the last legislative session they knew, both of them knew, to attract business to Montana, new alternative energy businesses to Montana, we needed to adjust our property tax rates so that we could attract these companies.

So these two men, one farmer, Llew Jones - Llew stand up, please stand up - and one professor, Ron Erickson - please stand up, Senator Erickson. Together they started an uncertain journey. That journey was to convince this body to change the tax code to attract these new companies to come to Montana. We had companies from around the world that testified and said, "If you change these laws, we will choose Montana, not Washington, not Idaho, not Wyoming, not North Dakota. We will choose Montana."

These two guys just couldn't stop thinking about tomorrow. They couldn't stop thinking about these jobs they would create for their children and grandchildren. So they wouldn't give up and one time, after another time, and a third time when the Senate rejected their idea, they would not stop thinking about tomorrow. They would not give up, and it was in the special session that these two extraordinary men were able to accomplish this extraordinary feat. We passed the legislation, and now in Llew Jones' district nearly a billion dollars worth of investment of transmission lines and wind energy is on its way. Thank you very much for believing in the future, and thank you for not giving up.

Eighteen states are taking action in America today - our competition, our coal competition from across the country. Wyoming's already passed a bill. Kansas, Oklahoma, Utah, Washington and another 12 states are in the process of

passing a carbon sequestration bill. You see, the companies who build these coal-gasification plants now have technology to remove the carbon dioxide from the other gases, and the carbon dioxide as a pure stream can be pumped back into the earth.

Now in Wyoming, and in other states, 17, who are either passing or have passed this legislation, they recognize that coal-gasification companies will not come to your state until you create an ownership mechanism for that void space under the earth. There is no law that tells us who owns that land under the earth today. So, that man who can't stop thinking about tomorrow, Senator Erickson, is back at it again with Senate Bill 66. He has brought this before the Energy Committee, and he suggested to them that we ought to join other states and we cannot allow Wyoming to be ahead of us. Wyoming has now passed the legislation. They're attracting the companies to come because there is certainty in ownership of those void spaces.

Senator, don't give up. And I ask the six Republican Senators who tabled this bill, please reconsider, be part of the future. Don't stop thinking about tomorrow. We need this bill passed, to be able to compete in the energy world.

Tomorrow Premier Wall of Saskatchewan is flying down to meet with me to discuss CO2. For the last half dozen years, the coal-gasification plant in Beulah, North Dakota has been capturing CO2 and piping it to the oil fields of Saskatchewan, where they pump it back into the earth and enhance their oil production. He would like to talk to us about cross-province and state ideas of sequestering that CO2, because Premier Wall knows what many of the geologists in Montana know today - that maybe as valuable as the 120 billion tons of coal we have in Montana, is the extraordinary geologic formations that we have for storing CO2. Just three formations - the Porcupine Dome north of Forsyth, the Bowdoin in Northeast Montana, and the Kevin Dome in the Golden Triangle - just these three formations could store nearly 250 years of all of the CO2 that is produced by all of the coal plants in Montana today. And we have just scratched the surface in identifying these geologic structures. So please act quickly, act prudently, and don't stop thinking about tomorrow.

Montana's state budget is much better than nearly every other state in the Union. This international credit crisis did not start in Montana, nor will it end in Montana. The nature of Montana's economy shelters us from these irrational highs and the conservative fiscal management that we have in Montana will keep us from the deepest doldrums.

But nevertheless, these are serious times and it requires thoughtful leadership. I know it's hard for the families who have lost a job recently. I know they are tightening their budgets and then re-tightening their budgets, but there is help on the way.

We have created a rapid response team led by our Department of Health and Human Services and our Department of Labor, so that if you lost your job, we will get you to unemployment benefits; if you've lost your health insurance, we will get you health benefits; and if you want another job, we will help you find it. We will assist these workers who have experienced this personal downturn.

The federal stimulus package includes dollars to build transmission lines, and pipelines, and modernize our schools and to help take care of healthcare. Senator Baucus, as Chair of the Finance Committee, and Senator Tester on the Appropriations Committee, are helping to shape the stimulus package in a way that it works for Montana. In short, help is on the way, and Montana will remain optimistic like all of the generations before.

Now with all of this big talk of big federal dollars, some may be concerned about government accountability and transparency. Or, as Will Rogers said, "It's a good thing we don't get all the government we pay for." Well, I'm here to tell you, that we will protect the public's money. We will make government more efficient and we have already started. Montana state employees have agreed that for the next two years they will receive no increase in salary. Our state employees have already begun to lead.

We will assure that all of these dollars will be spent in an accountable and transparent way, and we will assure you that we will oversee our road-builders, our corrections officers, our healthcare workers, our school administrators and teachers, our universities, including the 170 million dollars of research funds with little oversight. And in return, the public can be assured that we will hold the members of this assembly, and myself, to the same high standard of accountability, of transparency, of efficiency, and of effectiveness.

Transparency begins with our own leaders fully disclosing any funds that they receive from any public sources such as salaries, or grants, consultancy fees, farm payments, grazing subsidies, state and federal leases, research grants, and retirement benefits accrued or received.

Now over the last four years, as you know, we didn't raise taxes; we were cutting taxes. And today, almost everybody in Montana knows that there is a re-appraisal of the property tax across Montana. We have committed that, on the basis of this re-appraisal, not one new dollar will be collected by the State of Montana. Not one new dollar.

In 2005 and 2007, we worked on the business equipment tax. We were hoping to eliminate the business equipment tax for 90% of the business in Montana, virtually every farm and ranch, and every small business. I would ask, you, the members of this 61st Assembly, to please finish the job and please eliminate the business equipment tax for 90% of the businesses in Montana.

In the recent election, Montana spoke and they spoke strongly. They told us that they believe that we ought to cover more children in the Child Health Insurance Program. By overwhelming numbers Montana voted to invest in the future by investing in children's health. I call on this body to follow Representative Chuck Hunter, and House Bill 157 - invest the money that the people of Montana have asked you, do it without dispatch. Thank you very much.

In 1985, this body passed a stream access bill. Now, during the last 20 years, the ball has bounced back and forth and forth and back and many legislative assemblies have attempted to get the balance just right. Well, Representative Kendall Van Dyk, please stand. Kendall, has brought forward a compromise, one that Republicans and Democrats alike are supporting.

I would like Kendal Van Dyk to be recognized as a man who was able to bring Montana together, bringing Republicans and Democrats together for a common cause. The families of Montana who like to hunt, camp, and fish are expecting you to finish this job, and the lobbyists who represent the out-of-state landowners, and the anti-fishing and hunting groups, will not fool the 61st Assembly of the Montana Legislature. Thank you very much, Kendall.

There is nothing as important as education in Montana. We do have one of the best K-12 systems in America as rated against the other states, but we're still behind Canada, and Taiwan, and Finland, and Singapore, and another two dozen countries around the world. We will continue to be a leader in energy, only if we are a leader in education.

I would like to honor a very special person today. This is a man who was trained as a geologist and engineer. He worked 25 years as a geologist, and then he said, "I want to change the world as an educator, not just as an engineer." And so he started taking credits online at the Western Governors University, and he accumulated enough credits to become a teacher. And now, he is a science teacher at Fairfield School. Ray Hahn, would you please stand. Please stand. Let's honor this scientist, who decided he wanted to give back. And could I ask every educator present today, would you please stand and be recognized by this body? Please stand if you are an educator. God bless you. You are the future.

Education innovation includes distance learning, as Ray found out. We need to push our universities to offer more distance learning courses, to stream those classes into the homes and the high schools of Montana, so that every high school student can take classes at the university level at the same time that they're getting credit at the high school level. We need to have a rapid ability to train, and re-train Montanans for these emerging jobs, and that means innovation in education, and we need to move now.

Now, I know, as I look across this body, faces of Republican legislators, and faces of Democratic legislators. I remember during the campaign cycles, both Republicans and Democrats saying if elected, they would do their level best to raise teachers' salaries.

Furthermore, we heard many people say that we ought to have a tax system that is more similar to Wyoming's, where when they drill for oil and collect that oil, some of that money is directly used to pay higher teachers' salaries. I have been listening to you, I've been listening to Montana, and once again, Kendall Van Dyk has been listening, and he's proposed a bill, House Bill 388, which he calls "Energy for Education" or "E2."

Simply stated, these dollars from oil production would be used directly to increase teachers' salaries, but Montana would continue to maintain an oil tax rate that is lower than Wyoming. What could be better than that? Lower oil taxes, higher teachers' salaries.

For all of you who've told the folks back home that you support higher teachers' salaries, I think it is time to turn those promises into action. And if I were you, I would see Kendall Van Dyk and become a co-sponsor of his bill tomorrow morning.

We do have some difficult decisions to make together. These decisions aren't just about money; they're about people and families. Let us resolve to never forget who we work for. We work for the farmer, the miner, the single mom with a disabled child, the small businessman, the truck driver.

And to help us remember our common hope and optimism, I want to close with these words that have been spoken by others, "The real test of government is how that government treats those who are in the dawn of life...our children...how that government treats those who are in the twilight of life...the elderly...and how that government treats those who are in the shadows of life...the disabled...the handicapped...the sick."

Members of the 61st Assembly, we will be judged by our actions, not by our words.

Thank you. God bless you. God bless Montana, and God bless America.

Following the State of the State address by Governor Schweitzer, President Story called upon Bishop Thomas to give the benediction.

Senator McGee moved that the joint session of the 61st Legislature be adjourned. Motion carried.

MARILYN MILLER Secretary of the Senate ROBERT STORY President of the Senate